

FILED

APR 13 2022

CLERK, U.S. DISTRICT COURT
NORTHERN DISTRICT OF OHIO
CLEVELAND

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF OHIO
EASTERN DIVISION

UNITED STATES OF AMERICA,

) INDICTMENT

Plaintiff,

) 1:22 CR 166

v.

) CASE NO.

EIAHNNA PIQUE,

) Title 26, United States Code,
Defendant.) Section 7206(2)

JUDGE LIOI

GENERAL ALLEGATIONS

At all times relevant to this Indictment:

1. Defendant EIAHNNA PIQUE resided in Cleveland, Ohio, in the Northern District of Ohio, Eastern Division.
2. Defendant held herself out to be a tax preparer and operated two Ohio franchises of Franchisor, a national tax preparation chain.
3. As part of her tax preparation business, Defendant obtained a Preparer Tax Identification Number and an Electronic Filing Identification Number from the Internal Revenue Service (“IRS”), which Defendant used to prepare and electronically file tax returns for Franchisor clients.
4. An IRS Schedule C was a form a taxpayer was required to use to report income or loss from a business or profession operated as a sole proprietorship. A taxpayer was required to attach a Schedule C to the taxpayer’s individual income tax return (Form 1040 or 1040A) to report the gross receipts, expenses, and net profit or loss from a business the taxpayer operated or a profession the taxpayer practiced as a sole proprietor if the primary purpose for engaging in the

activity was for income or profit and the taxpayer was involved in the activity with continuity and regularity.

5. The Earned Income Tax Credit (“EITC”) was a refundable tax credit for low-income working persons. Any portion of a refundable tax credit that remained after an individual’s tax obligation was reduced to zero was paid to that individual as a tax refund. To qualify for the EITC, a taxpayer must have earned income from working for an employer or running or owning a business, and met basic rules, including income limitations. Below a certain income level, the amount of the EITC increased as the taxpayer’s earned income increased. Once the taxpayer exceeded a certain level, however, the EITC decreased as the taxpayer’s earned income increased, until the taxpayer was entitled to no credit. Reporting a dependent, or reporting additional dependents, generally increased the potential size of the credit and the income limit for receiving the EITC.

6. IRS procedures allowed a taxpayer to request payment of a refund electronically by direct deposit, including deposits to prepaid debit cards. IRS procedures allowed a taxpayer to request that a single tax refund payment be split into multiple direct deposits to different bank accounts.

7. Clients gave Defendant their income information and personal identifying information (“PII”), including names, addresses, social security numbers, and dates of birth, for Defendant to use when preparing their tax returns.

8. Defendant used the information received from these various clients to prepare and electronically file false, fictitious, and fraudulent tax returns in Franchisor clients’ names. Defendant typically charged clients a fee for her tax return preparation services. Defendant added false Schedule C expenses to Franchisor clients’ income tax returns and submitted at least

one return with a false dependent. In addition to the fees that clients paid Defendant, Defendant also caused portions of clients' refunds to be deposited into bank accounts controlled by Defendant, without the clients' knowledge or consent.

COUNTS 1-15

(Aiding and Assisting in the Preparation and Presentation of a False and Fraudulent Return,
26 U.S.C. § 7206(2))

The Grand Jury charges:

9. The allegations in paragraphs 1 through 8 of this Indictment are re-alleged and incorporated by reference in these counts, as though fully restated herein.
10. On or about the dates set forth below, in the Northern District of Ohio, Eastern Division, Defendant EIAHNNA PIQUE willfully aided and assisted in, and procured, counseled, and advised the preparation and presentation to the Internal Revenue Service, of United States Individual Income Tax Returns, Forms 1040, for the taxpayers and calendar years below, which were false and fraudulent as to a material matter. The tax returns reported fictitious business losses on line 12 by reporting Schedule C net losses for businesses, whereas Defendant knew the taxpayers had no reportable Schedule C businesses and had not incurred the reported losses, each false return constituting a separate count of this Indictment, as set forth below:

Count	Tax Period	Approx. Filing Date	Taxpayer
1	2015	03/19/2016	A.S.
2	2016	03/04/2017	A.S.
3	2017	03/07/2018	A.S.
4	2015	02/01/2016	J.S.
5	2016	02/04/2017	J.S.
6	2015	02/01/2016	A.D.S.
7	2016	02/04/2017	A.D.S.
8	2015	02/01/2016	M.S.
9	2016	01/29/2017	M.S.
10	2017	01/30/2018	M.S.
11	2017	02/24/2018	L.N.
12	2018	02/22/2019	L.N.

Count	Tax Period	Approx. Filing Date	Taxpayer
13	2016	04/06/2017	J.G.
14	2017	03/21/2018	J.G.
15	2018	05/26/2019	J.G.

All in violation of Title 26, United States Code, Section 7206(2).

A TRUE BILL.

Original document - Signatures on file with the Clerk of Courts, pursuant to the E-Government Act of 2002.